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July 19, 2018

HAND DELIVERED

Michael Mancusi-Ungaro
Insurance Financial Examiner - Licensing Specialist
Bureau of Financial Analysis and Examinations
Wisconsin Office of the Commissioner of Insurance
125 S. Webster Street
Madison, WI 53703-3474

2018 JUL 19 PM 3:09
RECEIVED
COMMERCIAL
INSURANCE

Re: Change No. 2 dated July 19, 2018 to the Form A in the Matter of the Acquisition of Control of Health Tradition Health Plan by WEA Insurance Corporation

Dear Mike:

In connection with the referenced Form A dated June 25, 2018, we hereby submit, on behalf of WEA Insurance Corporation and pursuant to Wis. Admin. Code § Ins 40.14(2), the enclosed:

- Proposed Articles of Incorporation for Health Tradition Health Plan ("HTHP") that have been revised to add "Inc." to the name. These articles mirror the WEA Insurance Corporation articles as much as possible, and should replace the proposed articles included as Appendix 4 to the Form A as filed on June 25, 2018. As noted in Item 5 of the Form A, WEA Insurance Corporation will adopt these articles immediately after closing; therefore, HTHP will begin using the "Inc." with its name, including in all new form filings, at that time. WEA Insurance Corporation does not anticipate amending existing policies or certificates to add "Inc." to the name, or notifying policyholders or certificate holders of the addition. Immediately after the name change, however, HTHP will file a name change endorsement for use with new issues of existing forms until forms with the new name are available for use.
- Proposed Bylaws for HTHP that should be attached as Appendix 5 to the Form A. These bylaws mirror the WEA Insurance Corporation bylaws as much as possible.
- Proposed Service Agreement under which WEA Insurance Corporation will administer HTHP beginning in Phase 2 of the business plan described in Item 5 of the Form A and ending December 31, 2018, when it is to be replaced by a new service agreement (which the parties will file with your Office with a Form D). This Service Agreement is based

Michael Mancusi-Ungaro

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on the Group Insurance Program Operating Agreement between WEA Insurance Corporation and WEA Trust, which OCI has reviewed, with the addition of provisions now required by Wis. Admin. Code § Ins 40.04(2)(d), and should be added as Appendix 6 to the Form A.

Please note that the anticipated PMPM figure in § 1.5 of the enclosed Service Agreement to be added as Appendix 6 to the Form A (the "Confidential Information") is proprietary and confidential information. Pursuant to Wis. Admin. Code § Ins 40.05, the Confidential Information is required under Wis. Stat. § 601.42; therefore, the Office may withhold this information from public disclosure under Wis. Stat. § 601.465(1m)(a), and, moreover, because the Confidential Information is not public, it is presumed under Wis. Stat. § 601.465(1n)(a), notwithstanding the public records law, that it is proprietary and confidential and that the potential for harm and competitive disadvantage if it is made public by your Office outweighs the public interest in the disclosure of the information. The Confidential Information also is a "trade secret" as defined under Wis. Stat. § 134.90(1)(c) because it "derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use and is the subject of efforts to maintain its secrecy that are reasonable under the circumstances." As you know, a trade secret is exempt from the public records law under Wis. Stat. § 19.36(5) and Wis. Admin. Code § Ins 6.13(2). We are submitting the Confidential Information in the enclosed confidential supplement, and, in line with the provisions cited above, we request that you do not release the Confidential Information to the public.

Pursuant to the requirements of Wis. Admin. Code § Ins 40.02(1)(b)1., a copy of this submission is also being sent simultaneously to counsel for HTHP.

If you have any questions, please do not hesitate to contact me or Vaughn Vance, Vice President and General Counsel of WEA Insurance Corporation, at (608) 276-4000 or vvance@weatrust.com. Thank you for your consideration.

Very truly yours,

QUARLES & BRADY LLP



William J. Toman

cc(w/enc.): Vaughn L. Vance
Kevin G. Fitzgerald